

**R E M A R K S**

- Claims 1 to 46 are pending in the present application.
- Claims 1, 34 to 36, 39 to 43, and 45 are independent.
- No claims have been amended or cancelled herein.

Claims 1 to 46 stand rejected under 35 U.S.C. Section 103(a) as being unpatentable over U.S. Patent No. 5, 569,082 filed April 6, 1995 and issued October 29, 1996 to Perry Kaye (hereinafter "Kaye") in view of U.S. Patent No. 6,068,552 filed March 31, 1998 and issued May 30, 2000 to Walker et al. (hereinafter "Walker"). Applicants respectfully traverse this rejection for the reasons specified below.

Claimed feature not taught or suggested by combination of references

Neither Kaye nor Walker, alone or in combination, teach or suggest the following feature, which is generally recited in each of the pending independent claims:

- based on a parameter *specified by a player*, allocating the outcome amount among the total number of events, *wherein the total number of events is greater than one* (emphasis added)

Allocating an outcome amount over a plurality of events (the claimed feature) is not taught or suggested by a teaching of providing an outcome for a single event over a plurality of payments (*e.g.*, as taught by Walker, the reference that Examiner primarily relies on for this feature). Examiner has not provided any argument for why such a teaching should be considered to teach or suggest the claimed feature.

The teaching of Walker involves a function performed at a different stage of a gaming system than the stage at which Applicants' claimed feature is performed. The Walker teaching addresses what happens after an event occurs (*e.g.*, after a player wins a jackpot, it is determined how the jackpot is distributed to the player). The claimed feature addresses what happens before an event occurs (*e.g.*, before a player reveals the results/prizes of several scratch off lottery

tickets, it is determined how an outcome amount should be allocated over the lottery tickets). A person of ordinary skill in the art aware of the Walker teaching would not recognize its applicability to Kaye, which addresses what happens before an event occurs and not what happens after an event occurs.

The claimed feature is also not taught or suggested by the Walker teaching at least in part because the Walker teaching results in benefits that are significantly different from the benefits of the claimed invention. The Walker teaching allows a casino to realize reduced payouts by distributing a payout over time rather than all at once. The claimed feature does not necessarily allow a casino or other entity to realize such a benefit (as is discussed in more detail below), but does allow a player to indicate preferences of how he would like payouts to be allocated over a plurality of events (*e.g.*, lottery tickets) to maximize the player's enjoyment of the events. For example, if two players are each going to receive \$100 as a result of revealing the prizes for ten lottery tickets, one player may find it more enjoyable if each of the ten tickets revealed a \$10 prize, while another player may find it more enjoyable if nine of the ten tickets did not reveal any prize but the tenth ticket revealed a \$100 prize. Allowing a player to indicate such a preference or another preference that may be used to allocate an outcome amount over a plurality of events, is not taught or suggested by any of the prior art of record.

Walker teaches allowing a player to specify whether the player desires to receive an outcome amount *for a single event* in one lump sum or in a plurality of smaller payments over a period of several years. For example, "a player could be given the option of customizing a \$1 million jackpot [the prize for a single event] to be given out as one lump sum or in portions over a 10, 15, or 20 year period of time." As Examiner pointed out, this may be advantageous to a casino because it allows the casino to "collect interest on the money over those years and also effectively lowers the payout when the time value of money is taken into account." (col. 10, lines 22 – 31 of Walker). However, this teaching is not equivalent or particularly relevant to the claimed feature recited above.

In the claimed invention, an outcome amount is allocated over a total number of events, the total number of events being greater than one. Thus, for example, an outcome amount of \$50 can be allocated over five lottery scratch tickets such that a prize of \$35 is allocated to one of the tickets, a prize of \$0 is allocated to another of the tickets, and a prize of \$5 is allocated to the

remaining three tickets. Not only is this feature not taught or suggested by the teaching of Walker, it does not provide the advantage pointed to by Examiner. The claimed feature recites allocating an outcome amount over a plurality of events, but does not require that the events occur over any particular period of time. Thus, for example, the events may all occur over a relatively short (*e.g.*, five minute) period of time. Referring again to the above example of allocating an outcome amount of \$50 over five lottery scratch tickets, this means that the \$50 may be provided to the player over a five minute period of time (*e.g.*, the player may scratch off all five tickets within a five minute period of time), as long as it is done over the five tickets (*i.e.*, there are no restraints as to the timing of the revelation of prizes for the tickets). Accordingly, a casino or another entity would not realize any significant interest or savings based on the time value of money when practicing the claimed embodiments.

Applicants submit that an event, as used in the pending claims, “may be any representation that is directly or indirectly indicated to a player. For example, an event may comprise an event result (*e.g.*, “win” or “lose”) that is displayed to a player.” (pg. 9, lines 6 – 9 of the specification).

As pointed out by Applicants in a previous response, Kaye does not teach the feature of allocating an outcome amount over a plurality of events *based on a parameter specified by a player*. Since neither of the references teaches or suggests a feature recited in each of the pending independent claims, Applicants respectfully submit that the claims are not rendered obvious by the combination of the references.

Examiner has not provided any argument as to why a teaching of allowing a player to specify how an outcome for a single event is to be paid to the player would render obvious a feature of basing an allocation of an outcome amount over a plurality of events on a parameter specified by a player. Applicants respectfully submit that the claimed feature would not be at all obvious in light of prior art of record. Traditionally, a player may choose what form to accept a prize in (*e.g.*, lump sum or plurality of payments, cash or check, etc.). However, the allocation of an outcome amount over a plurality of events has traditionally been a function of the entity providing the outcome amount and has not been based on a parameter specified by a player. For example, an operator of a scratch-ticket lottery game is the one who determines which scratch

tickets will be winning ones and how much the prizes will be for each ticket (as taught in Kaye) and does not base this decision on any parameter specified by the player.

Applicants note that Examiner has stated that Kaye “does not disclose *basing* the reward on a parameter *associated with* a player.” (pg. 2 of paper no. 8; emphasis added). Applicants respectfully object to this characterization of the claimed invention. The feature noted by Examiner is not recited in any of the pending claims. Instead, the claims recite the feature of “*allocating the outcome amount*” (as opposed to “*basing the reward*”) among the total number of events based on “a parameter *specified* by the player” (as opposed to, a parameter “associated with” the player).

No proper motivation to combine references

Applicants respectfully submit that Examiner has not provided a proper motivation to combine the Kaye and Walker references. Obviousness can only be established by combining or modifying the teachings of the prior art *to produce the claimed invention* where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. MPEP 706.02(j). *In re Fine*, 5 USPQ2d 1596 (Fed. Cir. 1988); *In re Jones*, 21 USPQ2d 1941 (Fed. Cir. 1992); emphasis added. It is the burden of the Examiner to establish a *prima facie* case of obviousness by pointing to a specific teaching in the record that would have motivated one of ordinary skill in the art to modify the prior art in the manner suggested by Examiner. *In re Fine*, at 1598. Applicants respectfully submit that Examiner has not met this *prima facie* burden for the pending claims because Examiner has not pointed to a specific teaching or suggestion *in the prior art* but has merely provided an unsupported conclusory statement.

Examiner's statement that it would have been obvious to modify the prior art to “incorporate the feature of player selectable parameters as taught by Walker or as notoriously known into Kaye’s invention” because doing so would “allow casinos to lower the payouts when the time of money is taken into account” is not sufficient to meet the Examiner's burden of providing a *prima facie* case of obviousness.

First, as discussed above, the combination of Walker and Kaye does not result in Applicants’ claimed invention because neither reference teaches or suggests the claimed feature

of allocating an outcome amount over a plurality of events based on a player-specified parameter.

Second, the reason provided by Examiner is a mere conclusory statement of a desired result that would allegedly be realized by the suggested combination and not a reasoned argument of why one of ordinary skill in the art would be motivated to make the suggested combination. A proper obviousness analysis cannot be “limited to a discussion of the ways that the multiple prior art references can be combined to read on the claimed invention” (*In Re Dembiczak*, 175 F.3d 994, Fed. Cir. 1999, holding that the Board of Appeals holding of obviousness cannot stand as a matter of law, due to the Board’s failure to support its finding of obviousness by a suggestion, teaching, or motivation to combine the prior art references cited against the pending claims). “Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor’s disclosure as a blueprint for piecing together the prior art to defeat patentability--the essence of hindsight.” (*Id.*).

Further, even if Examiner’s conclusory statement of a result that is allegedly obtained from the combination were a proper and reasoned basis for a motivation to combine the references, the result is not one that is necessarily realized by Applicants’ claimed invention. As discussed above, the claimed feature recites that an outcome amount is allocated over a plurality of events but does not recite any time period restrictions on when those events are to take place. Thus, if the events were to take place within a very short period of time, a casino or other entity would not necessarily lower payouts as a result of practicing the present invention.

It is submitted all of the pending claims are in condition for allowance and the Examiner’s early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Magdalena M. Fincham at telephone number 203-461-7041 or via electronic mail at [mfincham@walkerdigital.com](mailto:mfincham@walkerdigital.com).

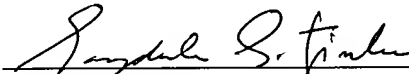
**Petition for Extension of Time to Respond**

Applicants hereby petition for a **two-month** extension of time with which to respond to the Office Action. Please charge \$205.00 for this petition to our Deposit Account No. 50-0271. Please charge any additional fees that may be required for this Response, or credit any overpayment to Deposit Account No. 50-0271.

If an extension of time is required, or if an additional extension of time is required in addition to that requested in a petition for an extension of time, please grant a petition for that extension of time which is required to make this Response timely, and please charge any fee for such extension to Deposit Account No. 50-0271.

Respectfully submitted,

May 14, 2003  
Date

  
\_\_\_\_\_  
Magdalena M. Fincham  
Agent for Applicants  
Registration No. 46,085  
mfincham@walkerdigital.com  
Walker Digital LLC  
203-461-7041 / voice  
203-461-7300 / fax